

The Director of Central Intelligence

Washington, D. C. 20505

10 November 1986

Vice Admiral John M. Poindexter, USN
Assistant to the President for
National Security Affairs
The White House
Washington, D. C. 20500

Dear John,

I revised my draft to reflect some of the concerns
expressed by the President and by you.

Yours,

A handwritten signature in dark ink, appearing to read "Bill", written in a cursive style.

William J. Casey

Attachment

DCI
10 Nov 86, 1530

In view of recent press speculation on our discussions with Iran, I have a brief statement to make. Because continued speculation could jeopardize lives and be counter-productive to what we hope to achieve, I will take no questions.

From the earliest months following the revolution in Iran, the United States Government has attempted to reestablish official contact with that government in order to discuss strategic developments in that critical part of the world and to try and reestablish a constructive working relationship. Iran has and ultimately will again play an important role in our strategic policy with respect to its neighbors, including the Soviet Union. We believe that the vital long-range interests of these countries are best served by a strong, prosperous Iran pursuing moderate policies and practicing friendship and tolerance for its people and other nations.

An early initiative to reestablish contact was undertaken by National Security Advisor Brzezinski in Algiers late in 1979. We have continued this effort during my Administration.

At the same time we have pursued this dialogue, we have and continue to condemn the war between Iran and Iraq. We have sought and will continue to seek a peaceful solution to that conflict which leaves each country with its pride and its territory intact. Our policy has been and continues to be to restrain shipments of arms to either combatant -- arms that would have the effect of altering the balance toward an aggressor or prolonging the war and precluding peace. The contacts we have had with Iran have been within this policy framework.

It has also been and will remain our policy not to reward hostage takers by meeting their demands. We have accepted and sought the help of other governments in recovering our hostages. Thus, it is part of our policy to recognize and encourage, both tangibly and intangibly, responsible behavior by governments which may in the past have sponsored terrorist actions. And if this were to contribute to the release of American hostages, this would be welcome.

We can and will work with any government that moves away from a policy of support to terrorism. Iran is no exception to this. That the taste of U.S. hostages held 400 days in Tehran is still bitter in our mouths must not cloud our long-term vision.

Our dialogue with Iran, and our attempt to open strategic discussions with that country, parallels our opening to Iraq several years ago and our establishment of an embassy there. These efforts have contributed to a significant lessening in Iraqi support for terrorism. I can assure you that we will continue vigorously to fight all forms of terrorism that threaten our democratic institutions. We will not give in to the demands of hostage takers or their state sponsors.

Let me say in conclusion that the decision to pursue this dialogue with Iran almost a year ago was mine. It was fully discussed with my principal advisors. There were disagreements, which I carefully considered as they come from people whose judgment I greatly value. Nevertheless, I felt that the responsibilities of my office required me to make the difficult decision to proceed, bearing in mind that there were risks, but also that the long-term security interests of our country would be served by the reestablishment of contact and dialogue on strategic issues with the government of Iran.
